

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

March 9, 2007

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

PSF No.: 05HD-050

Hawaii

Amend Prior Board Action of April 1, 2005 (Item D-4) Cancellation of Revocable Permit No. S-7189 to Palekoki Ranch, Inc. and Issuance of Month-to-Month Revocable Permit to Raymond Lorenzo for Pasture Purposes; Kaa, Ouhi, Pakiloa and Kalua, Hamakua, Hawaii; TMK:3rd/4-5-01:07 & 13.

The Land Board at its meeting of April 1, 2005, under agenda item D-4, approved the cancellation of Revocable Permit No. S-7189 to Palekoki Ranch, Inc. and the issuance of a new Revocable Permit to Raymond Lorenzo for pasture purposes.

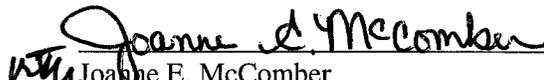
Upon forwarding the new Revocable Permit document to the Office of the Attorney General (AG) for their review and approval, it was revealed that an incorrect tenancy was given in the Board submittal. The incorrect tenancy given was Tenants by the Entirety, when in fact Raymond Lorenzo is the sole applicant, and therefore is Tenant in Severalty.

It was also determined that staff failed to include the cancellation of the existing Revocable Permit No. S-7189 to Palekoki Ranch, Inc. under the Recommendation section of the Board submittal.

RECOMMENDATION: That the Board:

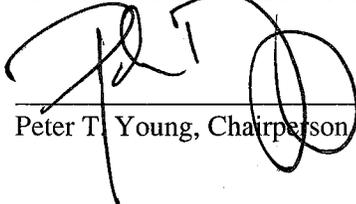
1. Amend its prior Board action of April 1, 2005, under agenda item D-4 by replacing Tenants by the Entirety with Tenant in Severalty under the Applicant section and adding the cancellation of the existing Revocable Permit No. S-7189 to Palekoki Ranch, Inc. to the Recommendation section of the Board submittal.
2. All terms and conditions listed in its April 1, 2005, under agenda item D-4, approval to remain the same.

Respectfully Submitted,



 Joanne E. McComber
 Land Agent

APPROVED FOR SUBMITTAL:



 Peter T. Young, Chairperson

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

April 1, 2005

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

PSF No.: 05HD-050

Hawaii

Cancellation of Revocable Permit No. S-7189 to Palekoki Ranch, Inc. and Issuance of Month-to-Month Revocable Permit to Raymond Lorenzo for Pasture Purposes; Kaa, Ouhi, Pakiloa and Kalua, Hamakua, Hawaii, TMK:3rd/4-5-01:07 & 13.

APPLICANT:

Raymond Lorenzo, married, as an individual, Tenants by the Entirety whose business and mailing address is P.O. Box 395, Paauilo, Hawaii 96776-0395.

LEGAL REFERENCE:

Sections 171-13 and -55, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands of Kaa, Ouhi, Pakiloa and Kalua situated at Paauilo, Hamakua, Hawaii, identified by Tax Map Key: 3rd/4-5-01:07 & 13, as shown on the attached map labeled Exhibit A.

AREA:

163.546 acres, more or less.

ZONING:

State Land Use District: Agriculture
County of Hawaii CZO: Agriculture

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES

CURRENT USE STATUS:

Encumbered by Revocable Permit No. S-7189, Palekoki Ranch, Inc., for pasture purposes.

APPROVED BY THE BOARD OF
LAND AND NATURAL RESOURCES
AT ITS MEETING HELD ON M.O.

April 1, 2005

EXHIBIT A

ITEM D-4

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to Raymond Lorenzo

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CHARACTER OF USE:

Pasture purposes.

COMMENCEMENT DATE:

The first day of the month to be determined by the Chairperson.

MONTHLY RENTAL:

\$71.00 per month, based rent reconfirmed by the Board at it meeting of December 10, 2004 under agenda item D-27. (Exhibit B)

COLLATERAL SECURITY DEPOSIT:

Twice the monthly rental.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with the "Division of Land Management's Environmental Impact Statement Exemption List", approved by the Environmental Council and dated April 28, 1986, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1, that states "Operations, repairs or maintenance of existing structures, facilities, equipment or topographical features involving negligible or no expansion or change of use beyond that previously existing."

DCCA VERIFICATION:

Applicant is sole proprietorship and, as such, is not required to register with DCCA.

REMARKS:

At its meeting of August 27, 1999, under agenda item D-31, the Board authorized the issuance of a revocable permit to Palekoki Ranch, Inc. for pasture purposes. Palekoki Ranch, Inc. had been leasing the abutting Kamehameha Schools, Bishop Estate (KSBE) lands for their cattle operation and after confirming the location of various fence lines, realized they were on State lands. After agreeing to compensate the State for the use of the land, they entered into a month-to-month revocable permit.

As a result of Palekoki Ranch, Inc. scaling back their cattle operation, they have agreed to sell to Raymond Lorenzo, a portion of their livestock and transfer of the KSBE lease adjacent to the State lands. Mr. Lorenzo is requesting the State continue with the pasture permit for the parcels of land under his name.

The Applicant has not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions.

Although the Applicant has never owned a ranch outright prior to this request, he has been involved with ranching operations on the Big Islands from 1989. He has most

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recently worked for the previous permittee for the past eight years in various capacities including the managing of herds, fencing, land clearing and weaning and branding, and is very familiar with the State lands.

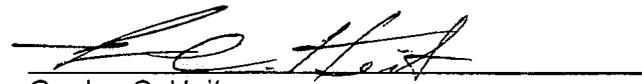
Both parcels of land are currently land locked and therefore unsuitable for long term leasing. As this is a continued use of the land, there is no need for comments from the various government agencies as well as surrounding property owners. There have been no other requests for use of these State lands.

Staff is recommending the Board cancel Revocable Permit No. S-7189 and reissue a new Revocable Permit to Raymond Lorenzo for pasture purposes.

RECOMMENDATION: That the Board:

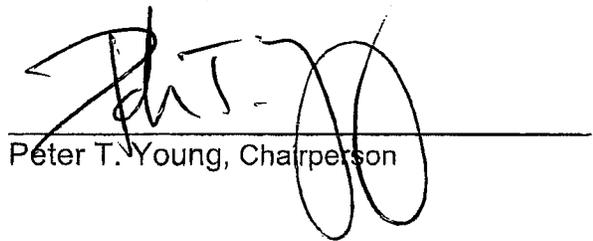
1. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment.
2. Authorize the issuance of a revocable permit to Raymond Lorenzo covering the subject area for pasture purposes under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
 - a. The standard terms and conditions of the most current revocable permit form, as may be amended from time to time;
 - b. Applicant shall apply as a cooperator with the appropriate Soil and Water Conservation District within thirty (30) days from the effective date of this permit;
 - c. Review and approval by the Department of the Attorney General; and
 - d. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,



Gordon C. Helt
Land Agent

APPROVED FOR SUBMITTAL:


Peter T. Young, Chairperson

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